BOARD OF HOME INSPECTORS MEETING MINUTES June 12, 2018 10:00 AM

A regular meeting of the Board of Home Inspectors was held at 656 Chamberlin Avenue, Suite B in Frankfort, Kentucky on June 12, 2018.

MEMBERS PRESENT

Welford "Bud" Wenk Mitch Buchanan Steven Cunningham Larry Joe Walden Paul Ogden

KENTUCKY REAL ESTATE AUTHORITY

Ryan Morrison, General Counsel Haley Bradburn, KBHI Board Administrator H.E. Corder II, Executive Director

MEMBERS ABSENT

None

GUESTS

Steve Keeney, Esq. (PLI)
Tony Cotto, Executive Advisor, PPC Office of Legal Services

CALL TO ORDER

Board Chairman Mitch Buchanan called the meeting to order at 10:32 AM.

APPROVAL OF MINUTES

A motion was made by Larry Joe Walden and seconded by Paul Ogden to approve the regular May 8, 2018 meeting minutes. The motion carried.

FINANCIAL REPORT

Financial report was presented and reviewed.

LICENSURE REPORT (as of 6/6/18)

- Active Licensees 475
- Inactive Licensees 4
- Pending Licensees 13

BOARD CHAIRMAN'S REPORT

Nothing to report this meeting.

BOARD COUNSEL REPORT/ CASE STATUS REPORT

General Counsel Ryan Morrison reported that a complaint filed in July 2017 was recently discovered after being inadvertently misplaced in the transition of moving offices. The licensee whom the complaint was filed against has been sent notice and given twenty-one (21) days for response.

REGULATORY REFORM

Tony Cotto who handles the regulation review process for PPC presented at the meeting. He has reviewed all of the home inspector regulations which currently are numbered at nine (9) and he feels can be streamlined and reduced to four (4) in total. He outlined them as follows:

- 1. Definitions
- 2. Licensing (encompassing everything)
- 3. Education pre-licensing, continuing, and distance
- 4. Standards of Conduct advertising, records, and complaints

The Board expressed that their biggest concern is unlicensed practicing home inspectors. The Board needs more authority in this area to actually be able to do something about this issue. Mr. Cotto advised that this would be a statutory change and not something we can take much action on for the time being. Mr. Cotto would also simplify and streamline the application forms down to four (4). He asked the Board for any and all input they have and any changes they would like to see. Amendment language will be sent to the Board members 1-2 weeks in advance of the next meeting.

KENTUCKY REAL ESTATE AUTHORITY REPORT

Director Corder shared that the Kentucky Real Estate Authority is looking into a new phone system to better serve the public, especially during the Real Estate Commission's busy renewal season.

BOARD ADMINISTRATIVE COORDINATOR REPORT

Nothing to report this meeting.

OLD BUSINESS

Brief discussion was held regarding the past participation of the Board of Home Inspectors at the state fair. Pros and cons were weighed and balanced and Director Corder said he would have discussion with the Real Estate Commission on this as well. The new board meeting calendar was presented. Chairman Buchanan made a motion to accept and Bud Wenk made a second. The Board voted to adopt the new calendar of meetings which will now be held on the third Tuesdays of the month.

NEW BUSINESS

Board member Paul Ogden noted updates to be made to the website. Board Administrator Haley Bradburn acknowledged the need for this and that she was working with the PPC internal website contact on this. Paul Ogden also inquired if there is a need for home inspectors to carry both general liability and E&O insurance coverage. Further discussion was held on this issue. The Board did not feel it should necessarily be a requirement (it currently is not), but believes it is highly recommendable to carry it, although expensive and difficult to obtain. The risks and costs were talked through. It was decided that Director Corder would reach out to an E&O provider to discuss possibilities of bringing home inspectors into the E&O pool with real estate agents.

EDUCATION COMMITTEE REPORT

- InterNACHI
 - Course: **Energy Movement** 2 hrs. (Renewed as **CE-3114-0030**)
 - Course: **House as a System** 2 hrs. (Renewed as **CE-3114-0031**)

Larry Joe Walden made a motion to approve the above continuing education courses. This motion was seconded by Steven Cunningham and passed the Board.

In addition, the board noted concern for a continuing education course that had been approved for 22 hours of CE credit and that a licensee submitted as the bulk of their renewal CE requirements. Vice Chairman Bud Wenk made a motion to submit a letter to InterNACHI to bring the CE hours in line with other courses. Chairman Buchanan seconded the motion and the motion carried.

APPLICATIONS COMMITTEE REPORT

The Applications Committee recommended the following:

- Thirteen (13) initial license applications were reviewed. Ten (10) were recommended for approval, and three (3) were deferred due to incomplete documentation.
- Thirty-three (33) license renewal applications were reviewed. Twenty-six (26) were recommended for approval, and seven (7) were deferred for incomplete documentation which will be administratively approved upon receipt of the needed documents.

Motion was made by Bud Wenk to approve twenty-six (26) renewal applications and ten (10) initial license applications with seven (7) renewal applications and three (3) initial applications being administratively approved upon submission of complete documentation. Motion was seconded by Steve Cunningham. The motion carried.

CLOSED SESSION

No closed session was held.

COMPLAINTS COMMITTEE REPORT

The Board decided that the Complaints Committee would include the entire Board and be a committee of the whole. There is one (1) pending case of which the current status is that the licensee has twenty-one (21) days to respond.

TRAVEL AND PER DIEM

Bud Wenk motioned and Steve Cunningham seconded to approve the travel and per diem for board members attending today's meeting. The motion carried.

NEXT MEETING

The next meeting is scheduled for Tuesday, July 17, 2018, at 10:00 a.m., at the Kentucky Real Estate Commission office at 656 Chamberlin Avenue, Suite B, in Frankfort, Kentucky.

PUBLIC COMMENTS

No public comments.

ADJOURMENT

A motion was made by Larry Joe Walden to adjourn the meeting. The motion was seconded and carried. The meeting was adjourned at 12:32 PM.